FOLLOW THE WOLF FIELD GUIDE

KNOW YOUR NUMBERS. TRUST YOUR DECISIONS

A Kilwins owner's quick guide to inventory, cost of goods sold, tax planning, and how the three work together.

Why This Matters

You didn't open a Kilwins because you love accounting. You opened it for the craft, the customers, and that smell when you walk through the door. (Our official position: it's joy.)

So here's what we tell every owner we work with: the goal isn't to turn you into an accountant or a tax specialist. The goal is to help you understand the numbers well enough to make confident decisions about your business, and that starts with understanding three things.

1. Inventory: The Money on Your Shelves

All that chocolate and ice cream is an asset right now. It only becomes a cost when it sells. That's an important distinction because if inventory isn't counted regularly, your reports won't tell you the truth.

Sales plummet in January, but you're buying big for Valentine's Day. If you skip the inventory count, every one of those purchases hits your profit at once. And that makes a normal month look like a disaster.

Accurate inventory means accurate reporting, and accurate reporting means decisions you can trust.

2. Cost of Goods Sold: What It Costs to Make the Sale

Revenue is the money coming in the door, but that figure doesn't tell you what it cost to earn it. Cost of goods sold (COGS) includes the ingredients and packaging behind each sale.

Revenue minus COGS is your gross profit: the clearest measure of whether your store makes money on what it sells. Two stores can have identical sales and very different gross profits.

Classifying costs correctly means spotting margin trends early and pricing with confidence. After a decade of Kilwins clients, we know what strong margins look like.

3. Tax Planning: No Surprises, Ever

Your store's profit differs each month and your tax plan needs to reflect that. We revisit ours with clients quarterly, at a minimum.

In your first year, this matters even more. The equipment and build-out costs of opening a store can create substantial first-year deductions, and how you use them affects your whole tax picture.

We also help owners set up a tax savings account and calculate what to set aside each month. When the bill comes due, the money's already there. The best tax surprise is the one you never have.

NUMBERS WITH GRIT
GUIDANCE WITH HEART

How It All Fits Together

These three topics tie into one system.

Your inventory drives your COGS. Your COGS determines your gross profit. Your gross profit shapes your tax plan.

Get all three right, and you'll see your business clearly enough to run it with confidence. That's the difference between having an accountant and having a guide.

Let's Talk About Your Store

Want to see what this looks like for your store? We'd love to have that conversation. There's no such thing as a dumb question here, by the way.

www.follow-wolf.com
33 Market Point Drive, Greenville, SC 29607
T/F: 864/233.4055

LET'S DO THIS